GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Agriculture & Cooperation Department - Procurement of 20.00 million kg HDBRG Tobacco by AP MARKFED in RMS 2024-25 -To Utilize an amount of Rs.154.00 Crore from the NCDC loan for payment to the tobacco farmers - Permission-Accorded - Orders -Issued.

AGRICULTURE & COOPERATION (MKTG-III) DEPARTMENT

G.O.RT.No. 1012 Dated: 24-11-2025

Read the following:

1. G.O.Ms.No.25, Agri. & Coop. (MKTG.III) Dept. dt:04.07.2025.
2. G.O.Rt.No.566, Agri. & Coop. (MKTG.III) Dept., dt:09.07.2025.
3. G.O.Rt.No.754, Agri. & Coop. (MKTG.III) Dept., dt:26.08.2025.
4. MD, AP Markfed, e file Comp.No.2873863, APMF-17/10/2025-PROC SEC-APMF.

ORDER:

In the G.O.1st read above, Government have authorized the additional loan of Rs.1000.00 Crore (Rupees One Thousand Crore only) to Andhra Pradesh State Cooperative Marketing Federation Ltd. (AP MARKFED) duly extending Government guarantee for availing credit from National Cooperative Development Corporation(NCDC) and transfer it to AP State Civil Supplies Corporation Ltd. (APSCSCL),Vijayawada, as an Inter-Corporate Loan to meet the working capital needs (pending for farmer dues) of Rabi 2024-25 operations, and to increase the share capital from 10 Crs to 20 Crs.

2. In the G.O. 2nd read above, Government have accorded permission to procure 20.00 million kg of HD BRG tobacco in the first instance, as an intervention strategy to stabilize the market and protect farmer’s interests in RMS 2024-25 in the state, and Sanction Rs.273.17 Crore towards farmer payments (Rs.240.00 Crore, @120/kg) and incidental costs (Rs.33.17 Crore) and release an amount of Rs.100.00 Crore as advance.

3. In the G.O. 3rd read above, Government have accord permission to utilize an amount of Rs.55.00 Crore(Rupees Fifty Five Crore only) from the available NCDC loan for payment to the tobacco farmers, partially modifying the orders issued vide G.O.1st read above. The loan repayment may be made from out of the sale proceeds of the procurement. Reimbursement from PSF may be limited to the gap amount only.

4. In the reference 4th read above, the MD, AP Markfed has requested the Government for utilization of Rs.154.00 Crore with repayment of both Principal & interest amount being borne by Government as MARKFED doesn't have its own funds.

5. The Government after careful examination of the proposal hereby accord permission to Managing Director, AP Markfed, for utilization of Rs.154.00 Crore of the available NCDC Loan for procurement of HD BRG Tobacco under RMS 2024-25 partially modifying the orders issued vide G.O.1st read above and subject to repayment of the loan from the own resources of the Corporation.

6. The Managing Director, Andhra Pradesh State Cooperative Marketing Federation Ltd., Vijayawada shall take further necessary action in the matter.

7. This order issues with the concurrence of Finance Department, vide U.O.No. FIN01-FMU0PC(AC)/21/2025-FMU-AC-CS-AH (2874195), dt:22.11.2025.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B.RAJSEKHAR

EX-OFFICIO SPECIAL CHIEF SECRETARY TO GOVERNMENT

To

The Managing Director, AP MARKFED, Vijayawada.

The Director of Agricultural Marketing, A.P., Guntur.

Copy to:

The Finance (FMU-A&C, AHDD&F, CS) Department, A.P. Secretariat.

The PS to Hon'ble Minister (Agriculture, Marketing & Cooperation).

The PS to Ex-Officio Special CS to Government (Agri, Mark & Coop.)

Sc/Sf.

//FORWARDED:: BY ORDER//

SECTION OFFICER